GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2133
ANSWERED ON:06.05.2016
Growth Rate of States
Giluwa Shri Laxman;Laguri Smt. Sakuntala;Swami Maharaj Dr. Sakshi

Will the Minister of PLANNING be pleased to state:

(a) the growth rate of Gross Domestic Product of various States at current prices during the last two years, State/UT-wise including Uttar Pradesh;
(b) whether decline in this growth rate was experienced in any State during the period;
(c) if so, the State-wise details thereof including Uttar Pradesh along with the reasons therefor;
(d) the corrective measures taken by the Government in this regard; and
(e) the details of the efforts made by the Government for balanced development of all region in the country in order to remove regional disparity?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING
AND MINISTER OF STATE FOR DEFENCE
RAO INDERJIT SINGH

(a) to (e): Based on the latest information on growth rate of Gross State Domestic Product (GSDP) at current prices (base year 2011-12) available from Central Statistics Office of the Ministry of Statistics and Programme Implementation, the details of the State/ UT wise growth rate of GSDP including that of Uttar Pradesh from 2013-14 to 2014-15 is at Annexure. All the States/ UTs except those of Assam, Bihar, Chhattisgarh, Jharkhand, Kerala, Madhya Pradesh, Odisha, Rajasthan, Uttarakhand, Chandigarh and Puducherry have registered declined growth rate of GSDP during this period.

The growth in GSDP depends on several factors including rate of savings and investments in the State, growth in productivity, business climate, human development, state of infrastructure and State Government efforts. The Central Government also supplements the State Government's efforts through transfer of resources by way of various schemes. Moreover, the Government has taken a number of steps in the past to reduce regional disparities especially in eleven north eastern and hill states viz Arunachal Pradesh, Assam Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Jammu & Kashmir, Himachal Pradesh and Uttarakhand in view of their specific challenges including difficult terrain, location on international border etc. which constraint development. Norms of many of the Centrally Sponsored Schemes have been designed to address these challenges from time to time. Government has recently accepted the recommendation of the Sub-Group of Chief Ministers set up on rationalisation of Centrally Sponsored Schemes to have 90:10 (Centre: State) fund sharing pattern for core schemes for the eleven north eastern and hill states as compared to 60:40 in other States.

Further, the 14th Finance Commission recommendations has enhanced the share of States in the net proceeds of Union Taxes from 32% to 42% which would give the States greater autonomy in financing and designing of schemes as per local needs and requirements as well as overall development of the States.